

## **Anti-Tax Evasion Policy**

In light of the Criminal Finances Act 2017, Elite Precast Concrete Limited has adopted a policy and procedure that applies to all colleagues regardless of length of service. This includes all agency workers and self-employed contractors.

### **Anti-facilitation of Tax Evasion Policy**

At Elite Precast Concrete, we believe our business should be conducted in an honest and ethical manner. We take a zero-tolerance approach to facilitation of tax evasion, as stated under UK law.

We are committed to acting professionally, fairly and with integrity in all business dealings and implementing and enforcing effective systems to counter tax evasion facilitation.

We will uphold all laws relevant to countering tax evasion in all jurisdictions in which we operate, incorporating the Criminal Finances Act 2017.

The Purpose of the policy is to:

- Set out our responsibilities and of those working for us are observing and upholding our position on preventing the criminal facilitation of tax evasion and provide information and guidance to those working for us on how to recognise and avoid tax evasion.
- Provide information and guidance to those working with us on how to recognise and deal with these evasion issues.
- As an employer, if we prevent colleagues, workers, agents or service providers facilitating tax evasion, we understand that we can face criminal sanctions, including an unlimited fine, as well as exclusion from bidding for public contracts and damage to the reputation of the business. We therefore take the legal responsibilities very seriously.

Within this policy, third party means any individual or organisation we may come into contact with during the course of our work and includes actual and potential customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisers, representatives and officials, politicians and political parties.

### **Who is covered within the policy?**

All associated persons must strictly comply with this policy. You must take time to read and comply with this policy.

### **Consequences of breach of this policy**

The UK's Corporate Criminal Offence of the Failure to Prevent the Facilitation of Tax Evasion (CCO) has been effective since 30th September 2017. The penalties under CCO include an unlimited financial penalty and/or ancillary order, such as confiscation orders or serious crime prevention orders. Non-compliance could result in a criminal investigation under UK Law.

**What is Tax Evasion?**

Fraudulent tax evasion is a crime and involves dishonest behaviour.

A 'person' behaves dishonestly if they know (or turn a 'blind eye' to whether) they have a liability to pay tax but decide not to pay it/declare it. Dishonest behaviour may involve a person simply deciding not to declare the money they make.

It may involve someone deliberately trying to hide the source of money or intentionally misrepresenting where the money came from.

Please note that fraudulent tax evasion does not arise when a person makes a mistake or is careless - There needs to be a dishonest intent.

**What is the Facilitation of Tax Evasion**

CCO offences can only apply to Elite Precast Concrete when there has been 'fraudulent tax evasion' facilitated by an 'associated person' to Elite, both as defined above.

The facilitation comprises being knowingly concerned in or taking steps with a view to, the fraudulent tax evasion of another, as well as aiding, abetting, counselling or procuring another person's offence of tax evasion. Please note, however, that the associated person does not commit a tax evasion offence when they inadvertently, or even negligently, facilitate another's tax evasion. There must be criminal intent, and thus, the facilitator is an 'accomplice'.

**Generic examples of the Facilitation of Tax Evasion could include:**

- Allowing goods not to be counted when received, reducing payment.
- Misclassification of goods, such that a lower selling rate is fraudulently paid.
- An employee in the Accounts Payable department knowingly processes invoices from a supplier showing a false VAT number.
- An employee in the Accounts Receivable team agrees to invoice a different/offshore customer entity (who did not receive the supply and obtains a VAT advantage from doing so).

**How can the Facilitation arise?**

It is likely that most instances of 'facilitation' will occur in exchange for an 'inducement' (a bribe), for example, cash, favour, gifts, or hospitality.

Further information concerning bribery is available within the Elite Precast Concrete Anti Bribery and Corruption Policy.

Facilitation can also arise from 'turning a blind eye' to tax evasion, which may be linked to intimidation and/or threats.

**Your responsibilities**

You must ensure that you read, understand and comply with this policy. The prevention, detection and reporting of either the facilitation of or actual tax evasion is the responsibility of all those working for us or under our control.

All workers must avoid any activity that might lead to or suggest a breach of this policy.

You must notify your manager or a Director as soon as possible, if you believe or suspect that a breach of this policy is occurring, has occurred, or may occur in the future.

You must complete any and all training (e-learning or otherwise) that is deemed to be a requirement for your Role.

We wish to reassure you that if you raise concerns with regards to the application of this policy you will not be subject to any disciplinary action or unfavourable treatment (or any threats relating to these). If you consider that you have been subject to such action or treatment, please contact a Director.

**How to raise a concern**

If you are unsure whether a particular act constitutes tax evasion, or if you have any other tax-related queries, these should be raised with the UK Head of Tax. If the nature of the concern is such that you feel it cannot be raised internally, please visit the Elite Precast Whistleblowing Policy.

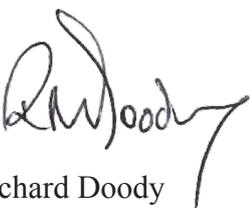
**Who is responsible for the policy?**

The Directors of Elite Precast Concrete are responsible for ensuring this policy complies with our obligations and that all those under our control comply with it.

The Financial Controller has primary and day-to-day responsibility for implementing this policy, and for monitoring its use and effectiveness. Management at all levels are responsible for ensuring those reporting to them is made aware of and understand this policy and are given adequate and regular training on it.

**Monitoring and Review**

The Financial Controller will monitor the effectiveness and review the implementation of this policy, regularly considering its suitability, adequacy and effectiveness. This policy does not form part of any employee's contract of employment, and it may be amended at any time.



Richard Doody  
Commercial Director